



FOR RELEASE
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Contact:

Robert Langlais
(401) 462-8767
Labor Market Information

Joyce D'Orsi
(401) 462-8762
Labor Market Information

Rhode Island's Unemployment Rate Inches Down in May
The Number of Jobs Increases

Rhode Island Department of Labor and Training Director Adelita S. Orefice announced today that Rhode Island's

	<u>May 04</u>	<u>Apr. 04</u>	<u>May 03</u>
Rhode Island	5.6%	5.7%	5.4%*
United States	5.6%	5.6%	6.1%
* Revised			

seasonally adjusted unemployment rate for May was 5.6 percent. The May unemployment rate was down 0.1 of a percentage point from April. The number of unemployed Rhode Island residents fell by 700 in May to an estimated 31,800. A year ago, the unemployment rate was 5.4 percent and the jobless level stood at 31,000. Nationally, the unemployment rate for May held steady at 5.6 percent. The

national rate has been either 5.6 or 5.7 percent in each month since December 2003. In May, Rhode Island's unemployment rate equaled the national average.

"Rhode Island's unemployment rate inched down slightly in May and the employment picture brightened as the state gained 1,500 jobs," said Director Orefice. "The rebound from last month's job losses is a positive sign that the job market is improving."

Rhode Island Job Highlights

The Rhode Island job count rebounded in May, following two successive months of reduced employment. Businesses in the state reported growth of 1,500 jobs, bringing the May job count to 487,500 (seasonally adjusted). Over-the-month employment gains were reflected in Trade, Transportation & Utilities (+800); Manufacturing (+600); Leisure & Hospitality (+600); and Government (+100). The only segment to report an employment decline was Construction (-400). Since January 2004, jobs are up 300 mainly due to increased employment in Trade, Transportation & Utilities.

The more detailed unadjusted estimates increased by 6,800 (1.4%) over the month. The May job count stood at 491,700 (unadjusted). The largest employment gains were noted in Accommodation & Food Services (+2,300); Transportation, Warehousing & Utilities (+1,000); and Arts, Entertainment & Recreation (+900). Retail Trade (+700); Government (+700); Construction (+500); Manufacturing (+500); and Administrative & Waste Services (+400) reported notable monthly gains as well. Losses were reported in Educational Services (-500); Financial Activities (-100); and Health Care & Social Assistance (-100).

The over-the-month increases in Accommodation & Food Services; Transportation, Warehousing & Utilities; and Local Education reflect a rebound from the April school vacation. School bus drivers, school lunch workers, and substitute teachers, who were out of work during the vacation period last month, returned to work this month. Manufacturing gains were due to increased employment by both Durable Goods and Non-Durable Goods employers. Construction gains were less than expected due to the winding down of some ongoing construction projects in the state while the decreased employment in Educational Services is reflective of the end of the college term.

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Over the year, employment was up 3,200 (+0.7%) from the 488,500 jobs (revised) reported in May 2003, bringing the May job count to 491,700 (unadjusted), the highest May job count on record. The largest over-the-year gains were noted in Health Care & Social Assistance (+1,400); Accommodation & Food Services (+1,400); and Construction (+1,300). Other Services (+600) and Retail Trade (+400) reported notable yearly gains as well. The largest employment losses occurred in Educational Services (-1,200); Manufacturing (-600); Administrative & Waste Services (-600); and Wholesale Trade (-500). Government employment increased by 600 over the year, as job gains on the Local level (+1,100) overshadowed losses in the Federal (-200) and State (-300) segments.

Hours and Earnings

The \$13.05 average hourly wage earned by the Manufacturing sector's production workers in May 2004 is up five cents from last month and represents a yearly gain of eighteen cents per hour. In May 2004, Manufacturing employees worked an average of 39.1 hours per week, a decrease of 0.1 of an hour over the month and 0.5 of an hour over the year.

***Note:** The unemployment figures are based largely on a survey of households in Rhode Island and measure the unemployment status of people who live in the state.*

The employment figures in the "Rhode Island Job Highlights" section are derived from a survey of businesses in Rhode Island and measure the number of jobs in the state.

**Rhode Island Labor Market Information is available on our web site at www.dlt.ri.gov/lmi
The June labor force figures are scheduled to be released on Friday, July 16, 2004.**

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The Rhode Island Department of Labor and Training offers a wide array of employment and training services to both the general public and to individuals with unusual barriers to employment. DLT is ready to assist any job seeker, whether the goal is a first job, a better job, or a career change. Rhode Island's work force is protected through the enforcement of labor laws, prevailing wage rates, and work place health and safety standards. Temporary income support is available to unemployed, sick, or injured workers and a comprehensive rehabilitation program is available to those injured on the job.

DLT is dedicated to the growth and competitiveness of Rhode Island industry, administering a variety of training grants, tax credits, and apprenticeship programs to help employers. Economic indicators and labor market information are available for long-range planning. The Agency engages in active outreach, helping large and small employers retain their best workers or retrain their existing work force. At no cost to the employer, DLT will also screen job applicants, post job vacancies, and help businesses institute cost-sharing programs that can avert layoffs.

For more information on the innovative programs and services available to all Rhode Islanders at the Department of Labor and Training, please call (401) 462-8000 or visit the web site at www.dlt.ri.gov.

Equal Opportunity Employer/Program

Auxiliary aids and services are available upon request to individuals with disabilities.

TDD (401) 462-8006

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